

Economic Impact Statement

LSA Document #22-142

IC 4-22-2.1-5 Statement Concerning Rules Affecting Small Businesses

The Indiana Family and Social Services Administration (FSSA) Division of Family Resources (DFR) proposes to:

Add [470 IAC 15](#) to provide that funeral and cemetery providers must submit the claim to defray funeral and cemetery expenses form, state form 35937, to the Division of Family Resources (DFR) within 90 days of the date of death of the decedent to obtain reimbursement for funeral and cemetery expenses.

Impact on Small Business

The following section provides responses to the following questions outlined in [IC 4-22-2.1-5](#):

1. An estimate of the number of small businesses, classified by industry section that will be subject to the proposed rule.

[IC 5-28-2-6](#) defines a small business as a business entity that satisfies the following requirements:

- (1) On at least fifty percent (50%) of the working days of the business entity occurring during the preceding calendar year, the business entity employed not more than one hundred fifty (150) employees.
- (2) The majority of the employees of the business entity work in Indiana.

It is estimated that 3,150 small business will be subject to the rule. All funeral and cemetery providers in the state are eligible. There are an estimated 650 funeral homes in Indiana and 2,500 cemeteries available for active internment.

2. An estimate of the average annual reporting, record keeping, and other administrative costs that small businesses will incur to comply with the proposed rule.

The rule will put the current policy into rule. The proposed rule will clarify the current process that has shown to improve and streamline the processing of claims for reimbursement for funeral and cemetery costs. The rule should not impose any additional administrative costs on small businesses.

3. An estimate of the total annual economic impact that compliance will have on small businesses subject to the rule.

None. The rule will put the current policy into rule. The proposed rule will clarify the current process that has shown to improve and streamline the processing of claims for reimbursement for funeral and cemetery costs.

4. A statement justifying any requirement or cost that is imposed by the rule and not expressly required by law. The statement must reference any data, studies, or analyses relied upon by the agency in determining imposition of the requirement or cost is necessary.

The rule is being promulgated in response to an audit of the burial assistance program by SBA and the response from funeral and cemetery providers. This will put the current policy into rule. The rule will clarify the process for providers.

5. Any regulatory flexibility analysis that considers any less intrusive or less costly alternative methods of achieving the same purpose.**A. Establishment of less stringent compliance or reporting requirements for small businesses.**

The rule states that a provider must submit or have a signed provider agreement on file with DFR and that the funeral and cemetery provider has 90 days from the date of death to submit a claim for reimbursement. There is no less intrusive or less costly alternative method.

B. Establishment of less stringent schedules or deadlines for compliance or reporting requirements for small businesses.

The rule states that a provider must submit or have a signed provider agreement on file with DFR and that the funeral and cemetery provider has 90 days from the date of death to submit a claim for reimbursement. 90 days is more than page 3 of 3 sufficient time to submit a claim after the services were rendered. The claim forms are not lengthy or complicated.

C. Consolidation or simplification of compliance or reporting requirements for small businesses.

The proposed rule will clarify the current process that has shown to improve and streamline the processing of claims for reimbursement for funeral and cemetery costs. The claim form is not lengthy or complicated.

D. Establishment of performance standards for small businesses instead of design or operational standards imposed on other regulated entities by the rule.

The rule does not add performance or operational standards for small businesses.

E. Exemption of small businesses from part or all of the requirements or costs imposed by the rule.

Many funeral and cemetery providers are small businesses. The rule should apply to these businesses, and they should not be excluded.

If there are any programmatic or fiscal questions, please contact Katie Hunter at (317) 234-8920 or katie.hunter@fssa.in.gov. Questions regarding any other aspect of the proposed changes should also be addressed to Amanda DeRoss at (317) 234-8533 or amanda.deross@fssa.in.gov.

Posted: 01/11/2023 by Legislative Services Agency
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